

4.4 Loan Origination and Change Modifications

4.4.1 Redesign Loan Limit Edits to Ensure Compliance

1999-2000 Modification: Loan Limit edits are performed by the LOC during the Loan Origination and Disbursement process.

Upon implementation this modification affects only 1999-2000.

Currently, loan limit edits are not specific to individual loan limits and dependency status. The LOC verifies annual loan limits, at the point of loan origination, by using the loan approved amount submitted by the school in the Loan Origination Record. The loan limits are verified for all loans, originated for the borrower, at the school submitting the Loan Origination Record and at other institutions.

This current process allows the LOC to reject a Loan Origination Record with a loan amount that, when combined with other loans on the LOC database, exceeds the annual loan limits. This Loan Origination rejects prior to disbursement. This process does not allow a borrower to be awarded a Direct Loan at multiple institutions during the packaging process, if the combined awards exceed the loan limits.

Starting in 1999-2000, loan limits are verified upon the receipt of a Loan Origination Record for all loans originated for the borrower at that specific school, using the borrower's academic year. Loan limits are again verified upon the receipt of an Actual Disbursement Record for all loans disbursed for the borrower at multiple schools, using the borrower's academic year.

Annual Loan Limits in the Loan Origination Process

Annual loan limits are edited upon receipt of a Loan Origination Record. This edit verifies all loans accepted by your school, for this specific borrower, for equal or overlapping academic years. Only the loans at your schools are reviewed at this point.

For example, for a first-year student, the individual loan limit edit of \$2,625 is used.

The LOC performs annual loan limit edits based on: the loan amount approved, borrower's academic year, dependency status, loan type, grade level and any additional unsubsidized eligibility flags, for loans for a specific borrower at a specific school, with equal or overlapping academic years. The specific fields and edits used in this process are discussed throughout this section.

Annual Loan Limits at the Disbursement Process

Annual loan limits across different schools are checked during the actual disbursement process instead of the loan origination process. Annual loan limits for **all** loans for a **specific borrower** are verified upon receipt of an actual disbursement or adjustment by using the amount of the actual gross disbursement submitted by your school in the Disbursement Record. All actual gross disbursements for a specific borrower for **any loans where the academic year equals or overlaps with the academic year of the loan being edited**, are combined to determine if a loan limit is exceeded. If a loan limit is exceeded, the incoming Disbursement Record is rejected and not accepted by the LOC.

Thus, during the Disbursement process, annual loan limits are edited using the data from the Disbursement Record (actual disbursement or adjustment) and the Loan Origination Record it is associated with by finding all loans for a specific borrower from the same or multiple schools, if applicable, with equal or overlapping academic years, and using the borrower's academic year, dependency status, loan type, grade level and any additional unsubsidized eligibility flags. How the loan limit edits are performed on the Disbursement Record is discussed in more detail in Section 4.6.5—Implement Disbursement Loan Limit Edits.

Since the actual Disbursement Record might be rejected when funds have already been disbursed to the students, it is very important to verify a borrower's current Direct Loan profile before disbursement. The Direct Loan profile for a specific borrower needs to include the loan approved amount and the actual gross disbursement for **all** loans a student has been approved for, **with equal or overlapping academic years**. This includes approved loans at other schools which may have not yet been disbursed.

The **Duplicate Student Borrower Report** assists in providing the school with this information. This report identifies student borrowers at their institution who have Direct Subsidized and Unsubsidized Loans approved at other institutions **for equal or overlapping academic years**. With this understanding, you have the potential to resolve an exceeding loan limit issue prior to sending the LOC a Disbursement Record and prior to the disbursement of funds to students.

In addition, you may need this same information to understand or correct a Disbursement Record that is rejected by the LOC. Once you have this information, you may contact colleagues at other schools to see if one of the disbursed loans is going to be adjusted to \$0, or if the borrower's academic year is going to be updated.

This monthly report is discussed in more detail in Section 4.9.1—Update Duplicate Student Borrower Report.

Business Rules:

- Annual Loan Limits are edited in the Loan Origination Process using Loan Approved Amount, dependency status, grade level, loan type, additional unsubsidized eligibility flags, and the borrower's academic year (NOT Award Year) on the Loan Origination Record. This edit looks at all loans for a specific borrower at your specific school where the borrower's academic year equals or overlaps the academic year of the Loan Origination Record being edited.
- Annual Loan Limits are edited in the Disbursement Process using Actual Disbursements, dependency status, grade level, loan type, additional unsubsidized eligibility flags, and the borrower's academic year (NOT Award Year). This edit looks at all actual disbursements for a specific borrower at all schools where the borrower's academic year equals or overlaps the academic year of the actual disbursement being edited.
- Borrower's academic years at the same school CAN be equal or overlap.
- Borrower's academic years at different schools CAN be equal or overlap.
- Academic Year Start Date (Field # 71) and Academic Year End Date (Field #72) are REQUIRED fields on the Loan Origination Record. Additional edits are performed by the LOC on the borrower's academic year start date and end date. These edits are discussed in Section 4.4.4—Implement Academic Year Start and End Dates as Required Fields.
- A new field (Field # 44) is added to the Loan Origination Record to identify the **dependent borrower eligible for an additional unsubsidized** amount. This field is discussed in Section 4.4.2—Implement Additional Unsubsidized Eligibility for a Dependent Student Flag.
- Dependency Status (Field # 65) on the Loan Origination Record is a REQUIRED field and the valid field content is "D" or "I." The modification of this field is discussed in detail in Section 4.4.3—Implement Dependency Status as a Required Field.

The table below outlines the new or modified reject codes for loan limits edits in 1999-2000.

Type of Reject Code Modified	Reject Code	Reject Code Definition
Modify Loan Origination Reject code for loan limits.	26	Loan Amount Approved exceeds the Annual Maximum Limits for this borrower at your school for equal or overlapping academic years. Review the borrower's academic year, dependency status and loan approved amount.
Modify Change Reject code for loan limits.	26	Loan Amount Approved exceeds the annual maximum limit for this borrower at your school for equal or overlapping academic years. Review the borrower's academic year, dependency status and loan approved amount.

EXAMPLE

A **first year, independent student** has two loans at the same school for the same academic year and same grade level. This student's annual maximum loan limit is \$6625.

	Loan Amount Approved	Academic Years	First Anticipated Disbursement	Second Anticipated Disbursement	Status of Loan Origination Record
Subsidized Loan	\$2625	09/06/1999 to 05/10/2000	\$1213	\$1212	Accepted
Unsubsidized Loan	\$4000	09/06/1999 to 05/10/2000	\$2000	\$2000	Accepted

The school sends a Change Record to the LOC to increase the Loan Amount Approved of the Unsubsidized Loan to \$4500. The Change Record is rejected with a Change Reject Code of 26—Loan Amount Approved Exceeds the Annual Loan Maximum Limits for this borrower at your school, for equal or overlapping academic years. Review the borrower's academic years, dependency status, and loan approved amount.

The next four pages outline the specific annual loan limits that are used by the LOC.

Annual Loan Limit Maximums**Dependent Students**

Year in College	Grade Code	Subsidized Maximum	Combined (Subsidized and Unsubsidized) Maximum
1st Year (Freshman) never attended college	01	2,625	2,625
1st Year (Freshman) attended college before	02	2,625	2,625
2nd Year (Sophomore)	03	3,500	3,500
3rd Year (Junior)	04	5,500	5,500
4th Year (Senior)	05	5,500	5,500
5th Year (other undergraduate)	06	5,500	5,500

Annual Loan Limit Maximums**Dependent Students with Additional Unsubsidized Amount**

Year in College	Grade Code	Subsidized Maximum	Combined (Subsidized and Unsubsidized) Maximum
1st Year (Freshman) never attended college	01	2,625	6,625
1st Year (Freshman) attended college before	02	2,625	6,625
2nd Year (Sophomore)	03	3,500	7,500
3rd Year (Junior)	04	5,500	10,500
4th Year (Senior)	05	5,500	10,500
5th Year (other undergraduate)	06	5,500	10,500

Annual Loan Limit Maximums**Independent Students**

Year in College	Grade Code	Subsidized Maximum	Combined (Subsidized and Unsubsidized) Maximum
1st Year (Freshman) never attended college	01	2,625	6,625
1st Year (Freshman) attended college before	02	2,625	6,625
2nd Year (Sophomore)	03	3,500	7,500
3rd Year (Junior)	04	5,500	10,500
4th Year (Senior)	05	5,500	10,500
5th Year (other undergraduate)	06	5,500	10,500
1st Year Graduate and Beyond	07	8,500	18,500

Annual Loan Limit Maximums

Student Eligible for Former HEAL Loans

Dependent Student

Year in College	Grade Code	Subsidized Maximum	Combined (Subsidized and Unsubsidized) Maximum
4th Year (Senior)	05	5,500	22,167 (5,500 + HEAL 16,667)
5th Year (other undergraduate)	06	5,500	22,167 (5,500 + HEAL 16,667)

Student Eligible for Former HEAL Loans

Independent Student and Dependent Student Eligible for Additional Unsubsidized Amount

Year in College	Grade Code	Subsidized Maximum	Combined (Subsidized and Unsubsidized) Maximum
4th Year (Senior)	05	5,500	27,167 (10,500 + HEAL 16,667)
5th Year (other undergraduate)	06	5,500	27,167 (10,500 + HEAL 16,667)
1st Year Graduate/Professional and Beyond	07	8,500	45,167 (18,500 + HEAL 26,667)

4.4.2 Implement Additional Unsubsidized Eligibility for a Dependent Student Flag

1999–2000 Modification: A New field, Additional Unsubsidized Eligibility for a Dependent Student, has been added to the Full Loan (Stafford/PLUS) Origination Record Layout. A new Export Origination Change Field Value has been added so that the Additional Unsubsidized Eligibility for a Dependent Student flag can be updated.

Upon implementation, this modification affects only 1999-2000.

Currently, loan limit edits performed by the LOC are not specific to dependency status.

Starting in 1999-2000, loan limit edits performed by the LOC are specific to dependency status. Dependent students who are eligible for an additional unsubsidized loan amount need to be identified by the schools so that loan limit edits can be applied appropriately by the LOC.

Additional Unsubsidized Eligibility for a Dependent Student (Field #44) is added to the Full (Stafford/PLUS) Origination Record so that a school can identify a dependent student who is eligible for an additional unsubsidized loan amount. The new field must be set to “Y” in order for the LOC to process a loan based on the loan limits for a dependent, undergraduate student eligible for an additional unsubsidized loan amount. This flag is edited to ensure that the Loan Origination Record is for a dependent, undergraduate student.

Field #44—Additional Unsubsidized Eligibility for a Dependent Student must contain a “Y” meaning “Yes” or be blank. Any other values in this field, such as “N,” causes the Loan Origination Record, or Change Record, to reject with the new Loan Origination and Change Reject Code of 88—Invalid Additional Unsubsidized Eligibility for a Dependent Student.

The new Change Field Transmit Number for the Additional Unsubsidized Eligibility for Dependent Student field is S123.

WHEN A SCHOOL IS *NOT* PROCESSING A LOAN WITH ADDITIONAL UNSUBSIDIZED ELIGIBILITY FOR A DEPENDENT STUDENT, THIS FIELD MUST BE LEFT “BLANK.”

Business Rules:

- The Additional Unsubsidized Eligibility for Dependent Student flag is a one-character field. Field #44 on the Loan Origination Record.

- There is a new Loan Origination and Change Reject Code of 88—Invalid Additional Unsubsidized Eligibility for Dependent Student. This **reject code** indicates that the Additional Unsubsidized Eligibility for a Dependent Student code, sent by the school is:
 - NOT equal to “Y” or “blank.”
 - NOT for a dependent, undergraduate student.
- Your Direct Loan system must have the capability to update or modify the Additional Unsubsidized Eligibility for Dependent Student flag, by sending a Change Record to the LOC using the new Change Field Transmit Number—S123 in the Custom Layout Section 1.

The following table defines the results a Change Record (Change Transmit Field Number S123) has on a Loan Origination Record, Field #44—Additional Unsubsidized Eligibility for Dependent Student.

Current Status of the Additional Unsubsidized Eligibility for Dependent Student Flag at the LOC	Change Record (S123) Submitted by the School Contains the Following Data	Results
Y	Y	LOC bypasses this change since the value is already in the LOC database. The flag stays set with a “Y.”
Y, and the loan amount approved includes the additional unsubsidized loan amount for a dependent student	Blank	LOC processes a Change Reject of 26—Loan Amount Approved exceeds the annual maximum limits for this borrower at your school for equal or overlapping academic years.
Y, and the loan amount approved does NOT include the additional unsubsidized loan amount for a dependent student	Blank	LOC removes the flag and the field is “blank.”
Y	Any data other than “Y” or blank	LOC processes a Change Reject of 88—Invalid Additional Unsubsidized Eligibility for Dependent Student.
Blank, and the Loan Origination Record is for a dependent, undergraduate student.	Y	LOC sends the flag with a “Y.”
Blank, and the Loan Origination Record is for an independent, graduate student.	Y	LOC processes a Change Reject of 88—Invalid Additional Unsubsidized Eligibility for Dependent Student.
Blank	Blank	LOC bypasses this change since the value is already in the LOC database.
Blank	Any data other than “Y” or blank.	LOC processes a Change Reject of 88—Invalid Additional Unsubsidized Eligibility for Dependent Student.

When an Additional Unsubsidized Eligibility for Dependent Student flag is updated or modified, other Change Records may need to be submitted to the LOC prior to submitting the Change Record for the additional unsubsidized eligibility. The following table demonstrates **some** of these instances.

Situation	School Action in Sequential Order	Change Field Values
The Loan Origination Record is accepted by the LOC. The loan amount approved includes the additional unsubsidized loan amount. The school needs to remove the additional unsubsidized eligibility flag prior to making the first disbursement.	Submit the following Change Records in this order to the LOC: 1. Reduce the Loan Amount Approved and send a Change Record to the LOC. 2. Remove the flag and send a Change Record to the LOC.	S029 S123
The Loan Origination Record is accepted by the LOC. The loan amount approved includes the additional unsubsidized loan amount. The school needs to remove the additional unsubsidized eligibility flag after the first disbursement has been made and prior to any subsequent disbursements.	Submit the following records in this order to the LOC: 1. Send actual disbursement adjustment record to the LOC. 2. Reduce the second or subsequent anticipated disbursement and send a Change Record to the LOC. 3. Reduce the Loan Amount Approved and send a Change Record to the LOC. 4. Remove the flag and send a Change Record to the LOC.	S049, S059, or S069 S029 S123
The Loan Origination Record is accepted by the LOC and the school needs to remove the additional unsubsidized eligibility flag after the loan has been fully disbursed.	Submit the following records in this order to the LOC: 1. Send actual disbursement adjustment records to the LOC. 2. Reduce the anticipated disbursements and send a Change Record to the LOC. 3. Reduce the Loan Amount Approved and send a Change Record to the LOC. 4. Remove the flag and send a Change Record to the LOC.	S039, S049, S059, or S069 S029 S123
School needs to add the flag to a Loan Origination Record	Submit the following records to the LOC: 1. Add the flag and send a Change Record to the LOC. 2. If the Loan Amount Approved does not increase, no further action is necessary. 3. If the Loan Amount Approved does increase, send a Change Record to the LOC with the new Loan Amount Approved.	S123 S029

EXAMPLE

Scenario: A school sends an Unsubsidized Loan Origination Record with a Loan Approved amount of \$6,625 and an Additional Unsubsidized Eligibility for Dependent Student flag of “Y.” The Loan Origination Record is accepted.

The school determines, prior to disbursement, that the student borrower is no longer eligible for the additional unsubsidized loan amount. The Unsubsidized Loan Amount Approved must be reduced to \$2,625 and the flag removed. This update requires two Change Records to be sent to the LOC. A Change Record to reduce the Loan Amount Approved, and a Change Record to remove the flag.

Note: The order in which the LOC receives these two Change Records is extremely important. The LOC must first receive and accept the Change Record to reduce the loan amount approved, then, the Change Record to remove the flag can be sent to the LOC.

(Note: In this example, we have added spaces between data fields for ease of reading and have included only some of the fields contained in the record layout. For actual record layouts, please refer to the Custom Layout Section I.)

Full Loan Origination (DESF00IN/Batch Type #D) contains the following fields:

Promissory Note Print Indicator	Additional Unsubsidized Eligibility for Dependent Student	Filler
S	“Y”	

Loan Origination Change Acknowledgment (DIOC00OP/Batch Type #E) contains the following fields:

Change Field Number 01	Value 01	Error 01
S029	2625	“blank”

Loan Origination Change Export Record (DESC00IN/Batch Type #E) contains the following fields:

Change Field Number 01	Value 01	Error 01
S123	“blank”	“blank”

4.4.3 Implement Dependency Status as a Required Field

1999–2000 Modification: Dependency Status (Field # 65) on the Full Loan (Stafford/PLUS) Origination Record is a required field. The field can be updated and modified through the Change Record process.

Upon implementation, this modification affects only 1999-2000.

Currently, dependency status is a field on the Full Loan (Stafford/PLUS) Origination Record however, the field is not required.

Starting in 1999-2000, dependency status is used in the LOC loan limit edits and therefore must be a required field on the Loan Origination Record. Dependency Status (Field #65) must equal “D” for dependent or “T” for independent, and CAN NOT be “blank” on the Loan Origination Record sent to the LOC.

Change Records to update or modify dependency status can be sent to the LOC using the Change Field Transmit Number S017—Dependency Status.

Note: In the past “P”—Professional Judgment has been a valid field content for Dependency Status. **Starting in 1999-2000, “P” is an invalid value and is rejected.**

Business Rules:

- In order to use the dependency status field in the loan limit logic, Dependency Status (Field #65) is a required field for 1999-2000 forward. This record layout is in the Custom Layout Section 1.
- Schools must supply the students dependency status on a Full (Stafford/PLUS) Loan Origination Record (DESF00IN/Batch Type #D and PF).

The acceptable values are:

“D” = Dependent OR

“T” = Independent.

- Starting in 1999-2000 forward, “P” = Professional Judgment is NOT a valid status and rejects with Loan Origination Reject code 60—Invalid dependency status.
- “Blank” or space is NOT a valid status and rejects with Loan Origination Reject code 60—Invalid dependency status.

- In addition, a PLUS Loan Origination Record rejects if the student's dependency status is "I" = Independent with Loan Origination Reject code 60—Invalid dependency status.
- Dependency status can be changed or modified by submitting a Change Record to the LOC using the Change Field Transmit # S017.

EXAMPLE

Scenario: A school sends a Loan Origination Record for a dependent student but leaves the student's dependency status "blank." The Loan Origination Record is rejected with the Loan Origination Reject Code of 60—Invalid Dependency Status. The school must resubmit the Loan Origination Record to the LOC with the appropriate dependency status, "D" = dependent.

(Note: In this example, we have added spaces between data fields for ease of reading and have included only some of the fields contained in the record layout. For actual record layouts, please refer to the Custom Layout Section 1.)

Loan Origination Record (DESF00IN/Batch Type #D)

Dependency Status	First Disbursement Percentage	Second Disbursement Percentage
"blank"	50	50

Loan Origination Acknowledgment (DISF00OP/Batch Type #D)

Full Loan Origination Status Flag	Full Loan Origination Reject Reasons
B	60

4.4.4 Implement Academic Year Start and End Dates as Required Fields

1999–2000 Modification: Academic Year Start Date (Field #71) and Academic Year End Date (Field # 72) on the Full Loan (Stafford/PLUS) Origination Record are required fields for all Direct Subsidized and Unsubsidized Loans. ~~These fields are NOT required for PLUS loans.~~ In addition, new Change Field Transmit Numbers have been added so that the two fields can be updated or modified through the Change Record process.

Upon implementation, this modification affects only 1999-2000.

Currently, the borrower's academic year dates are optional fields in the Loan Origination Record and schools have the option to either collect this information and pass it on to the LOC or else transmit these fields "blank."

Starting in 1999-2000, the borrower's Academic Year Start Date (Field #71) and borrower's Academic Year End Date (Field #72) are required fields. Schools must submit valid dates in these fields, as the borrower's academic year start and end dates are used in the new LOC loan limit edits. No longer is a Loan Origination Record acceptable if these fields are "blank," or do not contain a valid date. This field is edited by the LOC and a new Loan Origination Reject Code, 86—Invalid Academic Year Start and End Dates—is used on the Loan Origination Acknowledgment.

If the school updates or modifies the borrower's Academic Year Start Date, or the borrower's Academic Year End Date on a Loan Origination Record, a Change Record must be submitted to the LOC. The Change Record is sent using one of the new Field Transmit Numbers. The modified borrower's Academic Year Start Date (S121), or the modified borrower's Academic Year End Date (S122), undergo the same edits at the LOC as the original borrower's academic year start or end date.

Business Rules:

- Schools must supply the borrower's academic start date, and borrower's academic end date, on a Subsidized/Unsubsidized Loan Origination Record. ~~These fields are NOT required on a PLUS Origination Record.~~ These fields must be able to be updated and modified, and the new date(s) sent to the LOC through the Change Record process. Unaccepted Loan Origination Records or Change Records are rejected with Reject Code 86—Invalid Academic Year Start and End Dates.

- This field cannot be blank/null and the dates must be valid dates, NOT all zeros.
For example: 00/00/0000 to 00/00/0000 is NOT acceptable.
- The borrower's academic year end date must be greater than the borrower's academic year start date.
For example: 09/10/1999 to 05/15/2000 is acceptable. 09/10/2000 to 05/15/2000 is NOT acceptable.
- The borrower's academic year CANNOT be greater than 12 months. In other words, the maximum time between the borrower's academic year start date and the borrower's academic year end date can not exceed a 12-month period .
For example: 09/01/1999 to 08/31/2000 is the maximum acceptable date range. 09/01/1999 to 09/01/2000 is NOT acceptable.
- The date range for borrower's academic year start date for 1999-2000 is:
07/02/1998 to 06/30/2000
- The date range for borrower's academic year end date for 1999-2000 is:
07/01/1999 to 06/29/2001
- New Change Field Transmit Numbers are:
S121—Academic Year Start Date
S122—Academic Year End Date
- Academic years at the same school CAN overlap and can be equal. This is not an edit but a concept used in loan limit edits.
- Academic years at different schools CAN overlap and can be equal. This is not an edit but a concept used in loan limit edits.

This table shows the results a school receives when submitting a Subsidized/Unsubsidized Loan Origination Record with the academic year start date and academic year end date completed in various ways.

Subsidized/Unsubsidized Loan Origination Record				
Academic Year Start Date	Academic Year End Date	Results		
09151999	05252000	Accepted		
09151999	09152000	Rejected—date range is more than 12 months	Loan Origination Reject Code—86	Invalid Academic Year Dates
09151999	blank	Rejected—end date is blank	Loan Origination Reject Code—86	Invalid Academic Year Dates
blank	05252000	Rejected—start date is blank	Loan Origination Reject Code—86	Invalid Academic Year Dates
blank	blank	Rejected—start date and end date blank	Loan Origination Reject Code—86 appears twice	Invalid Academic Year Dates
09151999	00000000	Rejected—end date is all zeros	Loan Origination Reject Code—86	Invalid Academic Year Dates
00000000	05252000	Rejected—start date is all zeros	Loan Origination Reject Code—86	Invalid Academic Year Dates
00000000	00000000	Rejected—start date and end date is all zeros	Loan Origination Reject Code—86 appears twice	Invalid Academic Year Dates

EXAMPLE

Scenario: School transmits a Loan Origination Record for loan ID 999999999U00G99999001 with a valid academic year start date (09/15/1999) and a valid end date (06/01/2000), and the Loan Origination Record is accepted. The school later determines that the end date should be 05/28/2000. To correct this date, the school must submit a Change Record to the LOC.

(Note: In this example, we have added spaces between data fields for ease of reading and have included only some of the fields contained in the record layout. For actual record layouts, please refer to the Custom Layout Section 1.)

Loan Origination Record (DESF00IN/Batch Type #D) contains the following fields:		
Loan Origination Date	Academic Year Start Date	Academic Year End Date
19990801	19990915	20000601

Loan Origination Change Record (DESC00IN/Batch Type #E) contains the following fields:			
	Loan Identifier Error	Change Field	
Loan Identifier	Code	Number 01	Value 01
9999999999U00G99999001	“blank”	S122	20000528

4.4.5 Modify Anticipated Completion Date Edits

1999-2000 Modification: Loan Origination Records should contain an Anticipated Completion Date not more than 6 years past the Loan Period Start Date.

Upon implementation, this modification affects 1999-2000 and forward.

Anticipated Completion Date is a required data element from a school to originate a loan. This date is used by Servicing to start the repayment/exit process (60 days prior), and to convert a loan to repayment. The Anticipated Completion Date is sent to the LOC on the Loan Origination Record.

Currently, the Anticipated Completion Date cannot be 12 years or more past the Loan Period End Date. In addition, this date can be updated by the school at two points in the Direct Loan process. The school can send a Change Record to the LOC, or the school can update a Student Status Confirmation Roster (SSCR) and transmit it to the National Student Loan Database System (NSLDS).

In 1999-2000, the Anticipated Completion Date cannot be more than 6 years past the Loan Period Start Date. The Loan Origination Record continues to contain the Anticipated Completion Date and this date is stored by the LOC and passed on to the Central Database Subsystem (CDS) once the loan is booked.

However, the LOC no longer accepts Change Records for this field. A school can update and change this date only on a SSCR through NSLDS.

Since the LOC no longer accepts Change Records for this field, the Change Field Transmit Number, S021—Student's Anticipated Completion Date, is eliminated and no longer used in 1999-2000.

If the Student's Anticipated Completion Date is blank, all zeros, or not a valid date, the Loan Origination Record is rejected with Loan Origination Reject Code 85—Invalid Anticipated Completion Date.

If the Student's Anticipated Completion Date is more than 6 years past the Loan Period Start Date, the LOC accepts the Loan Origination Record and defaults the Anticipated Completion Date to 6 years past the Loan Period Start Date. This default date is stored on the LOC database and is the date passed on to CDS.

Any Anticipated Completion Date edits performed currently on Change Records received by the LOC using Change Field Transmit Number S033—Loan Period End Date—are discontinued for 1999-2000 and forward.

Note: The Anticipated Completion Date on a Loan Origination Record is passed to NSLDS only for the first booked loan for a specific borrower at a specific school. All other date changes must go through the SSCR process.

Business Rules:

- Student's Anticipated Completion Date continues to be a required field on a Loan Origination Record and is sent by the school to the LOC.
- Student's Anticipated Completion Date:
 - must be a valid date, **CCYY/MM/DD**;
 - cannot be blank or all zeros, **0000/00/00**; and
 - if more than 6 years past the Loan Period Start Date, the LOC defaults the date to 6 years past the Loan Period Start Date.

For 1999-2000, the date range for Student Anticipated Completion Date is **19980101- 20061231**.

- A school updates or changes the Anticipated Completion Date through the SSCR process with NSLDS ONLY.
- Anticipated Completion Date CANNOT be updated or changed at the LOC.
 - The Change Field Transmit Number, S0~~2133~~—Student's Anticipated Completion Date~~Loan Period End Date~~—is eliminated and no longer in use for 1999-2000 and forward.
 - The Change Reject Code 85—Anticipated Completion Date—is eliminated and no longer in use for 1999-2000 and forward.
- Change Records for Anticipated Completion Date are not to be generated by the school's Direct Loan System and sent to the LOC.
- The Anticipated Completion Date on a Loan Origination Record is passed to NSLDS only for the first booked loan for a specific borrower at a specific school. All other date changes must go through the SSCR process.
- Any Anticipated Completion Date edits performed currently on a Change Record received by the LOC, using Change Field Transmit Number, S033—Loan Period End Date, are discontinued for 1999-2000 and forward.

EXAMPLE

Scenario: A school submits a Subsidized Loan Origination Record to the LOC. The Student's Anticipated Completion date is all zeros and the Loan Period Start Date is September 8, 1999. The Loan Origination Record is rejected by the LOC, with a reject code of 85—Invalid Anticipated Completion Date, since the date is all zeros. Remember, this is a required field.

(Note: In this example, we have added spaces between data fields for ease of reading and have included only some of the fields contained in the record layout. For actual record layouts, please refer to the Custom Layout Section I.)

Full Loan Origination Record (DESF00IN/Batch Type #D) contains the following fields:

Student's Anticipated Completion Date(Field # 16)	Loan Period Start Date (Field #20).
00000000	19990908

Full Loan Origination Acknowledgment (DISF00OP/Batch Type #D) contains the following fields:

Loan Identifier	Full Loan Origination Status Flag	Full Loan Origination Reject Codes
999999999S00G999999001	B	85

Scenario: A school submits a Subsidized Loan Origination Record to the LOC. The Student's Anticipated Completion date is May 30, 2007 and the Loan Period Start Date is September 8, 1999. The Loan Origination Record is accepted by the LOC, except the date is defaulted to no more than 6 years past the Loan Period Start Date and is stored at the LOC as September 8, 2005.

(Note: In this example, we have added spaces between data fields for ease of reading and have included only some of the fields contained in the record layout. For actual record layouts, please refer to the Custom Layout Section I.)

Full Loan Origination Record (DESF00IN/Batch Type #D) contains the following fields:

Student's Anticipated Completion Date(Field # 16)	Loan Period Start Date (Field #20)
20070530	19990908

Full Loan Origination Acknowledgment (DISF00OP/Batch Type #D) contains the following fields:

	Full Loan Origination Status	Full Loan Origination Reject
Loan Identifier	Flag	Codes
999999999S00G99999001	A	

4.4.6 Implement a New Edit on Loan Period Start Date and End Date

1999-2000 Modification: The borrower's Loan Period Start Date and End Date must be within the borrower's Academic Year Start Date and End Date, and cannot exceed the borrower's academic year. The LOC performs this new edit on all Loan Origination Records, and all Change Records for the Loan Period Start Date and the Loan Period End Date.

Upon implementation, this modification affects 1999-2000 and forward.

Currently the loan period start and end date are not edited against the borrower's academic year start and end date.

Starting in 1999-2000, both loan period and borrower's academic year are required fields. Therefore, a new edit is performed on the Loan Period Start Date (Field # 20) and the Loan Period End Date (Field #21) to ensure that the loan period is equal to or is within the borrower's academic year. If the Loan Period Start Date or End Date exceeds the borrower's academic year, the Loan Origination Record or Change Record are rejected with a new Reject Code 92—Loan Period Start and End Dates exceed the borrower's academic year dates.

Business Rules:

- The Loan Period must be within or equal to the academic year but can not exceed the academic year.
For example: If a borrower's academic year starts 09/01/1999 and ends 05/15/2000:
 - The borrower's loan period extending from 09/01/1999 to 01/30/2000 is acceptable.
 - The borrower's loan period extending from 09/01/1999 to 05/15/2000 is acceptable.
 - The borrower's loan period extending from 11/06/1999 to 03/25/2000 is acceptable.
 - The borrower's loan period extending from 08/15/1999 to 03/25/2000 is NOT acceptable.
 - The borrower's loan period extending from 10/01/1999 to 05/25/2000 is NOT acceptable.
- The loan period cannot be changed to dates outside of the academic year start and end dates for the loan. Thus, a school may need to change academic year dates first, and then change loan period start and end dates if both sets of dates need to be corrected.
- The date range for loan period start date for 1999-2000 loans is:
07/02/1998 to 06/30/2000.
- [The date range for the loan period end date for 1999-2000 is:](#)
[07/01/1999 to 06/29/2001](#)

EXAMPLE

Scenario: School transmits a Loan Origination Record for loan ID 999999999S00G99999001 with an academic year start date of 09/15/1999 and an end date of 06/01/2000, and a Loan Period Start Date of 08/25/1999 and a Loan Period End Date of 06/01/2000.

The Loan Origination Record is rejected with a Reject Code 92—Loan Period Start and End Dates exceed the borrower’s academic year dates because the Loan Period Start Date of 08/25/1999 exceeds the borrower’s academic year for the loan. The school must verify and correct these dates and then resubmit the Loan Origination Record.

(Note: In this example, we have added spaces between data fields for ease of reading and have included only some of the fields contained in the record layout. For actual record layouts, please refer to the Custom Layout Section 1.)

Subsidized/Unsubsidized Loan Origination Record (DESF00IN/Batch Type #D) contains the following fields:

Loan Period	Loan Period	Academic Year	Academic Year
Start Date	End Date	Start Date	End Date
19990825	20000601	19990915	20000601

Subsidized/Unsubsidized Loan Origination Acknowledgment (DISF00OP/Batch Type #E) contains the following fields:

Loan Identifier	Full Loan Origination Status	Full Loan Origination
	Flag	Reject Reasons
999999999S00G99999001	B	92